

The Director of Central Intelligence
Washington, D.C. 20505

NIC 03939-84
9 July 1984

National Intelligence Council

Att. ELSA-2909

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

FROM: Hal Ford
National Intelligence Officer At Large

SUBJECT: Support of the SIG on International Communications and
Information Policy

1. It is my understanding that Hugh Montgomery has given you an informal paper on behalf of Ambassador Diana Dougan, wherein she asks that you write Bud McFarlane a note indicating your support for a "renewed NSC commitment to the SIG [process] as the recognized forum for the coordination of Federal policy in international communications and information under the chairmanship of the Department of State."

2. My memo, below, outlines the background of this question, and presents the cases for and against your so supporting the SIG.

3. Background. In brief, this issue has grown out of a specific, tangled case concerning US policy on whether INTELSTAT should continue to enjoy its near-monopoly, or new and separate international satellite systems might be added in certain circumstances. This question was examined by a special SIG (chaired by State) for some months; then, on 18 January 1984, the final SIG document and recommendations on this issue were unanimously endorsed by all SIG agencies, including Commerce. The problem is that Commerce has not only since reversed itself, but has of late begun to try to convince the Congress and the Administration that it (Commerce) should be given the lead responsibility for international communications policy under Executive Order 12046.

4. Pros and Cons of writing McFarlane in support of the SIG:

- The strongest arguments for DCI abstention are that this question is in part a turf fight between State and Commerce; and that although CIA participated in the SIG decision, the outcome of the present fight would not directly affect CIA interests, one way or the other. To date, this is the position OGI and I



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have taken on behalf of the DCI. Writing McFarlane along the lines desired by Amb. Dougan would be a departure from this course. Also, we are informed that so far as McFarlane's staffers are concerned, they consider that CIA's continued abstention would be the proper course.

- To the contrary, the strongest arguments for Dougan's case are (1) that public law (Section 34 of PL 98-164) and the pertinent Executive Order (12046) have explicitly (a) recognized the need for a coordinated USG approach to international communications policy, (b) established Amb. Dougan's office for this purpose (Office of Coordinator for International Communication and Information Policy), and (c) mandated that office to "supervise and coordinate the activities" of the relevant SIG; (2) Commerce's argument is not directed solely at the specific INTELSAT issue on which the SIG agreed, but if accepted would unravel orderly processes in the general sphere of international communications and information policy, and reinstate the more feudal system which existed prior to the formation of Dougan's office and the SIG; and (3) certain foreign governments, now aware of Commerce's renegeing, are trying to play off divided US interests.

5. Upshot:

- If you consider continued CIA abstention to be the proper course, no particular action is necessary except for our informing Amb. Dougan.
- Or, if you instead consider it appropriate on a personal basis to support the SIG process, I have attached a suggested text of a note to McFarlane. Here I have re-written the version which Amb. Dougan has asked you to consider.

Hal Ford

Attachments:
As stated

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Amb. Dougan's version

I want to bring to your attention a matter on which I believe the NSC must weigh in since the outcome could have long-term adverse effects on the interests of the national security community. My concern is the potential undermining of the Senior Interagency Group on International Communications and Information Policy by the Commerce Department's attempts to claim prime responsibility for the formulation and implementation of international communications and information policy.

Although commerce and trade concerns are exceedingly important, the subject is equally crucial to our national security and overall foreign policy. Further, our abilities to forward U.S. commercial interests abroad are made more effective when incorporated into our broader foreign policy thrust.

In my view, the SIG provides a vital and effective means of bringing the coordinated Executive Branch expertise and perspective to this important policy area. It examines issues for which no one agency has unilateral responsibilities in formulating policy.

Unfortunately, the effectiveness of this fifteen-Agency forum is being seriously jeopardized by Commerce's unilateral actions. I strongly urge that an effort be made by the White House to subdue the zealous and unworkable claims of the Commerce Department for final and sole authority in a subject that goes far beyond their areas of expertise and authority. A renewed NSC commitment to the SIG as the recognized forum for the coordination of Federal policy in international communications and information under the chairmanship of the Department of State is, in my view, a step that must be taken soon.